



2020-2021 Draft Capital Budgets General Fund/Utility Fund

Finance Committee

May 29, 2019



SAINT JOHN

2020-2021 Draft Capital Budget – General Fund

2020-2021 Capital Budget Inputs

- Asset Management Plan
 - State of Infrastructure Report
- Plan SJ/Play SJ/Move SJ
- Central Peninsula Neighborhood Plan
- Capital Budget Policy
- Climate Change
- Council Priorities
 - Growth & Prosperity
 - Vibrant and Safe City
 - Valued Service Delivery
 - Fiscally Responsible



2020-2021 Draft Capital Budget – General Fund

Asset Management Plan

- State of the Infrastructure Report (SOTI) 2019
- Infrastructure Deficit \$434,973,706
- SOTI report uses letter grade for asset condition. Eg. “F” – highest risk of failure, beyond useful life
- 2020-2021 Capital budget focuses heavily on assets with letter grade “F”
- Asset management plan is continuing to be refined and will improve decision making for asset renewal, along with long term financial plan.



2020-2021 Draft Capital Budget – General Fund

2019 State of Infrastructure Report

Asset	Replacement Value	Infrastructure Deficit	Letter Grade	Infrastructure Deficit "F" Grade
Growth and Community Development	\$129,646,291	\$47,962,628	C-	\$40,884,717
Public Safety	\$69,077,926	\$13,641,277	C+	\$10,808,567
Transportation and Environment	\$1,073,263,922	\$52,650,571	B	\$39,595,653
Saint John Water	\$1,443,539,753	\$313,581,339	C+	\$308,276,480
Corporate, Finance and Administrative	\$15,357,854	\$7,137,891	C-	\$1,557,150
Total	\$2,730,885,747	\$434,973,706	C+	\$401,122,567

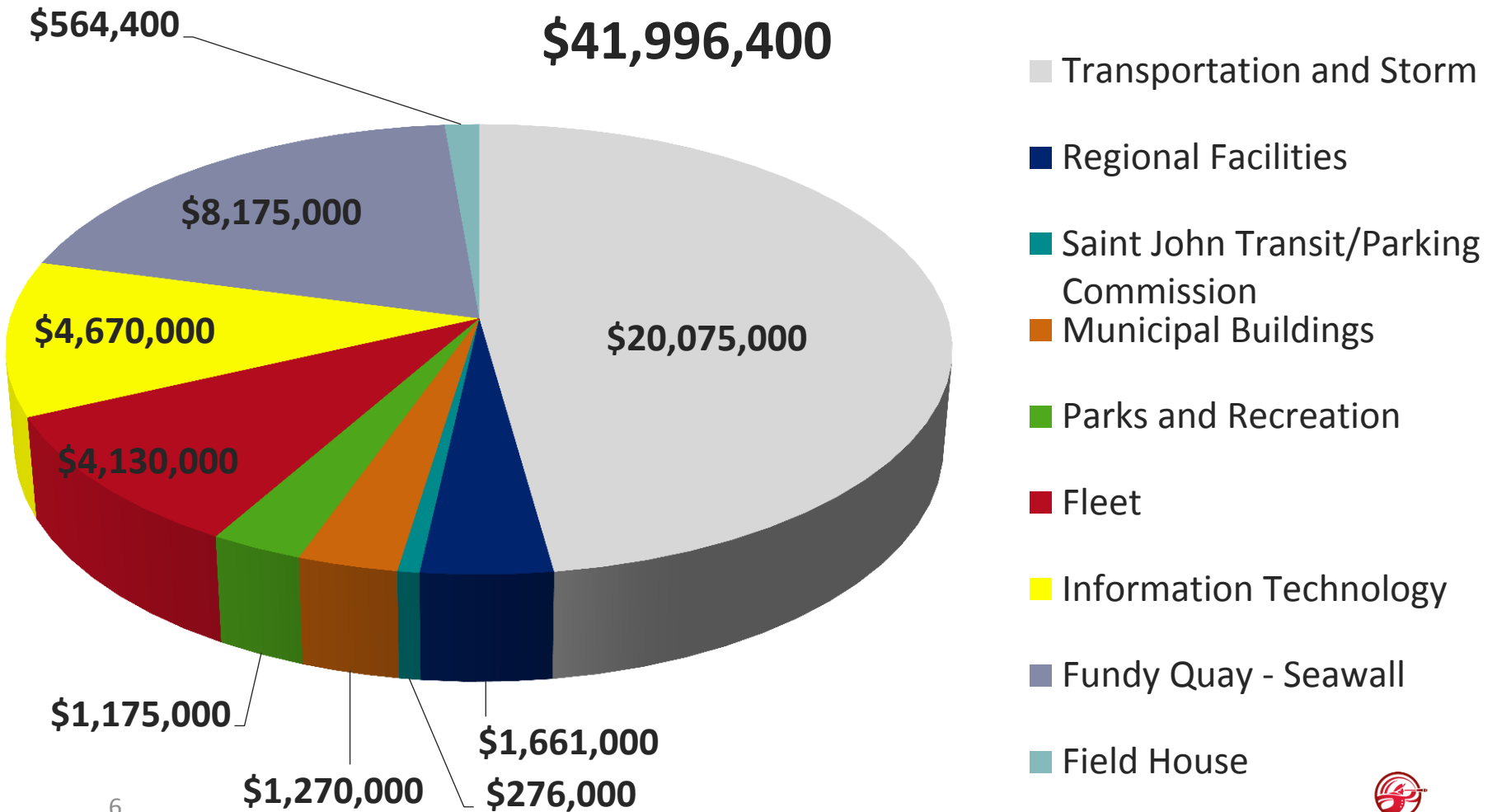
2020-2021 Draft General Capital Budget - Overview

- Proposed 2020-2021 Draft General Fund Capital Budget - \$41,996,400
- City Share - \$20,009,250 (2 year)
- Other Share - \$21,987,150 (2 year)
 - Gas Tax Funding (Includes additional funding recently announced)
 - Disaster Mitigation Funding
 - Reserves
 - Bi-lateral funding (Federal and Provincial)*
- Projects focus on
 - Climate Change
 - Supporting Growth
 - Infrastructure Deficit



Allocation of 2020 -2021 General Capital Budget

Proposed - 2020-2021 Capital Budget - \$41,996,400



2020-2021 Draft General Capital Budget - Highlights

Focus on Tax Base Growth

- **Continued investment in Fundy Quay**
 - **Total investment** to rebuild Seawall - \$8.174 Million
 - Funding partnership with Federal Government (\$3.27M) and City of Saint John (\$4.904M)
 - Goal to transform Saint John's waterfront
 - Allows for City to mitigate climate change by raising seawall
- **Strategic reinvestments**
 - Millidgeville – Storm project - \$1.0 M – creating more capacity for development
 - Major street reconstruction and beautification along St. James Street corridor
 - Charlotte Street – St. James to Lower Cove Loop - \$660K
 - St. James Street – Prince William to Germain - \$305K
 - St. James Street – Germain to Sydney Street - \$640K
 - Germain Street – St. James to Lower Cove Loop - \$320K

2020-2021 Draft General Capital Budget - Highlights

Balancing Infrastructure Replacement and Climate Change Mitigation

- 2020-2021 has a focus on high risk of failure assets but also addresses climate change.
- \$8,915,000 investment in sewer separation, resulting in complete street reconstruction.
- \$850K continued investment in energy efficiency measures and reducing our carbon footprint.



2020-2021 Draft General Capital Budget - Highlights

Infrastructure Deficit - Highlights

- Buildings
 - Fire stations – \$200K - 3 facilities require new roofs
 - CGAC - \$550K for exterior windows, \$150K for exterior work and interior rehab
 - City Market - \$700K for roof replacement
 - Carleton Community Centre - \$325K for foundation and exterior work
 - Transit Bus shelters - \$80K
- Trade & Convention - \$261K replacing outdated equipment and technology
- Harbour Station - \$700K for Q League requirements, heating upgrades, other assets



2020-2021 Draft General Capital Budget - Highlights

Infrastructure Deficit - Highlights

- Fleet Replacement - \$4.13 million
- Arena equipment - \$475K (Chillers/Compressors)
- Information Technology - \$4.67 million
 - \$1.67 million for annual equipment replacement
 - \$3.0 million to replace **20 year** old ERP system
 - New ERP system will a transformational project
 - Impacts all service areas in the City
- Parking Meter – \$226K earmarked for continued replacement of outdated parking meters.
- Parks and Recreation - \$325K for surface replacement at Market Place playground (safety)



2020-2021 Draft General Capital Budget - Highlights

NEW INVESTMENTS

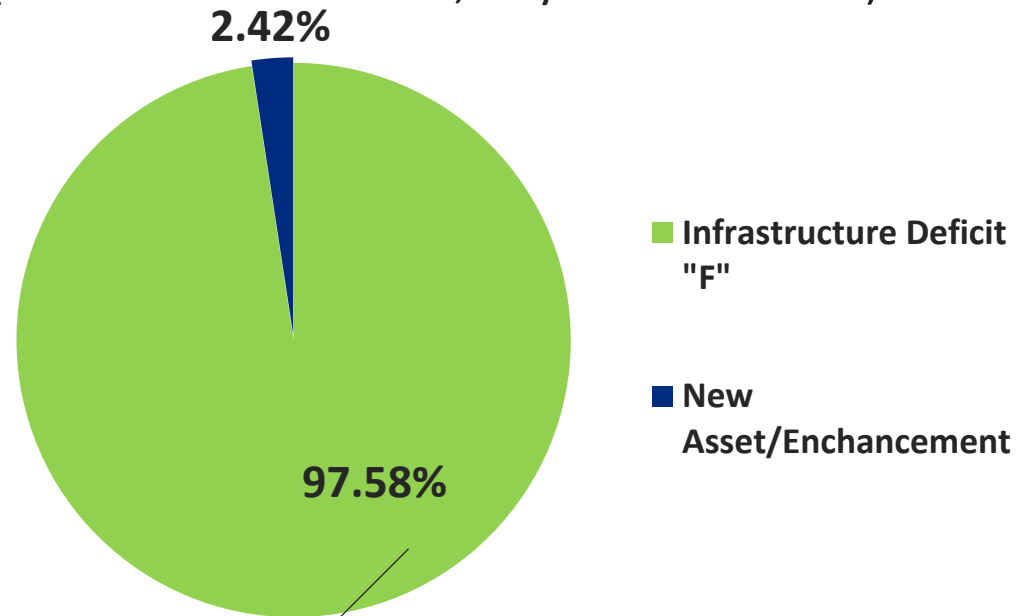
- Exhibition Fieldhouse - \$564K final grant of a three year commitment (2020). (Note: this is not an asset of the City of Saint John, however was approved before Capital Policy.)



2020-2021 Draft General Fund Capital Budget

CONCLUSION

- Budget continues to focus and balancing projects between
 - Addressing infrastructure deficit (Assets at Risk Failure, Beyond useful life)
 - Growth Opportunities
 - Climate Change
 - Addressing infrastructure deficit
 - Leveraging funding opportunities
 - Disaster Mitigation Funding
 - Gas Tax Funding
 - Bi-lateral Funding



**27.08% of reinvestment
directly tied to growth**

Saint John Water – 2020-2021 Capital Budgets

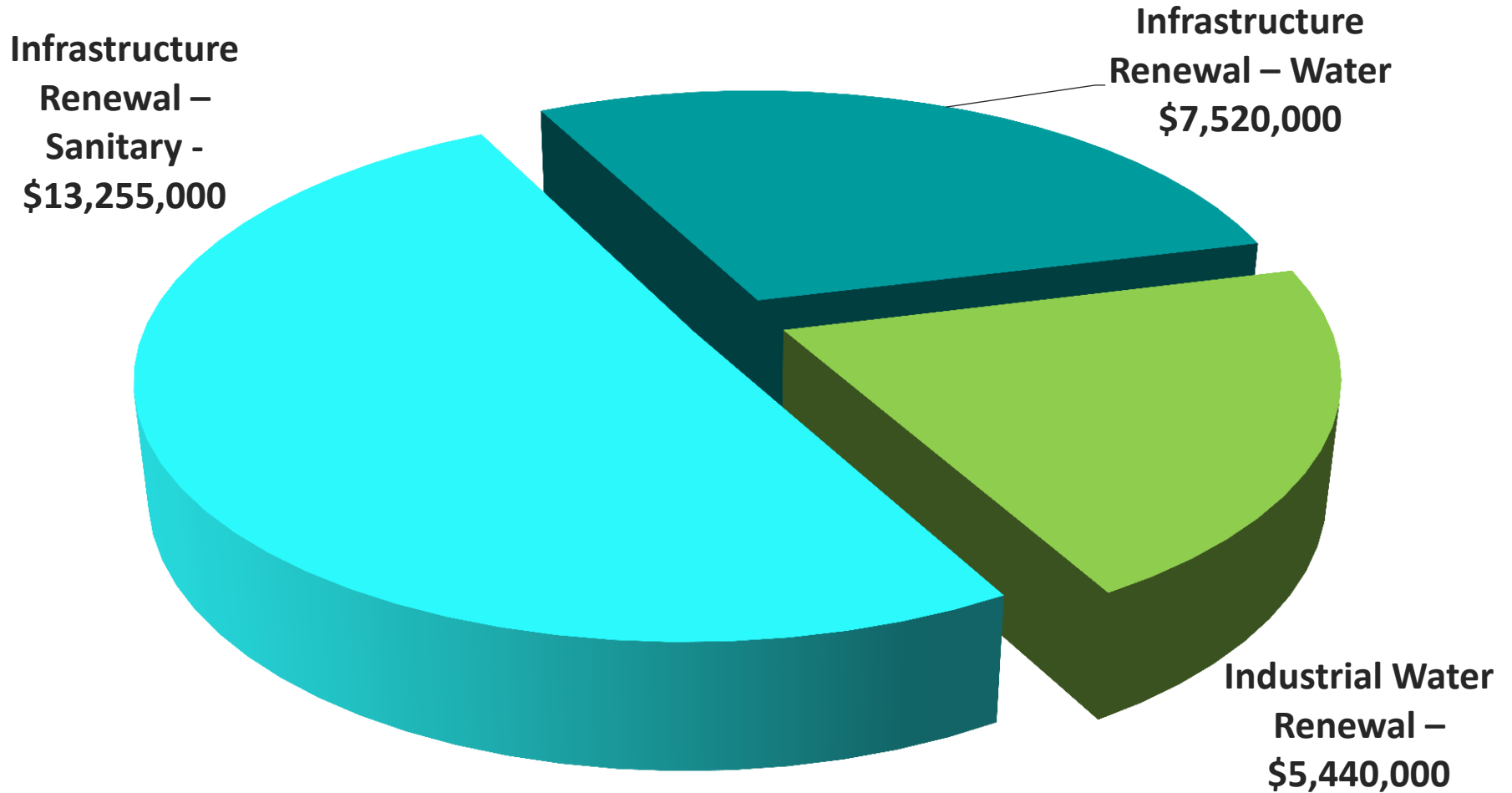


Saint John Water Capital Highlights - 2020-2021

- Proposed - 2020-2021 Capital budget \$26,215,000
- Funding for Capital budget – Capital from Operating (pay as you go) - \$10,283,450 over (2 years)
- Heavy reliance on funding from other sources - \$15,931,500 (2 years)
 - Disaster Mitigation Funding
 - Gas Tax Funding (71% of all GTF funding is being directed to the Utility)
 - Bi-lateral funding opportunities support: infra. renewal, Neighborhood Plan, dev. & sewer separation
- **No new borrowing for 2020-2021 Capital program**



2020 -21 Draft Utility Fund Capital Budgets



2020-2021 Draft Utility Budgets - Highlights

Latest State of Infrastructure Results

- Infrastructure Deficit - \$313,581,339

Addressing the deficit with 2020-2021 Budget

- Budget includes, in coordination with Transportation, over \$7.8M of street reconstruction projects.
 - Sewer separation falls under green infrastructure
 - Much of sewer infrastructure dates to late 1800's
 - Nearly all projects located in PDA
 - Improved infrastructure and streetscapes to focus on growth opportunities
- One Mile Sewer Lift Station - \$5.0M
 - Current station is at end of life
 - Funding under Gas Tax Fund



2020-2021 Draft Utility Budgets - Highlights

Addressing the deficit with 2020-2021 Budget

- Other Infrastructure Renewal -Water
 - Hayes Avenue - \$950K
- Other Infrastructure Renewal -Sewer
 - Douglas Avenue - \$325K
 - Lakewood Heights Sanitary System - \$720K
 - Retail Drive Area (Oakland St.) - \$500K
- Fleet Renewal - \$970K (funded from Reserve)

New Infrastructure

- Wastewater Pumping Station - \$520K
 - Prospect Street West



2020-2021 Draft Utility Budget - Highlights

Strategic Investments

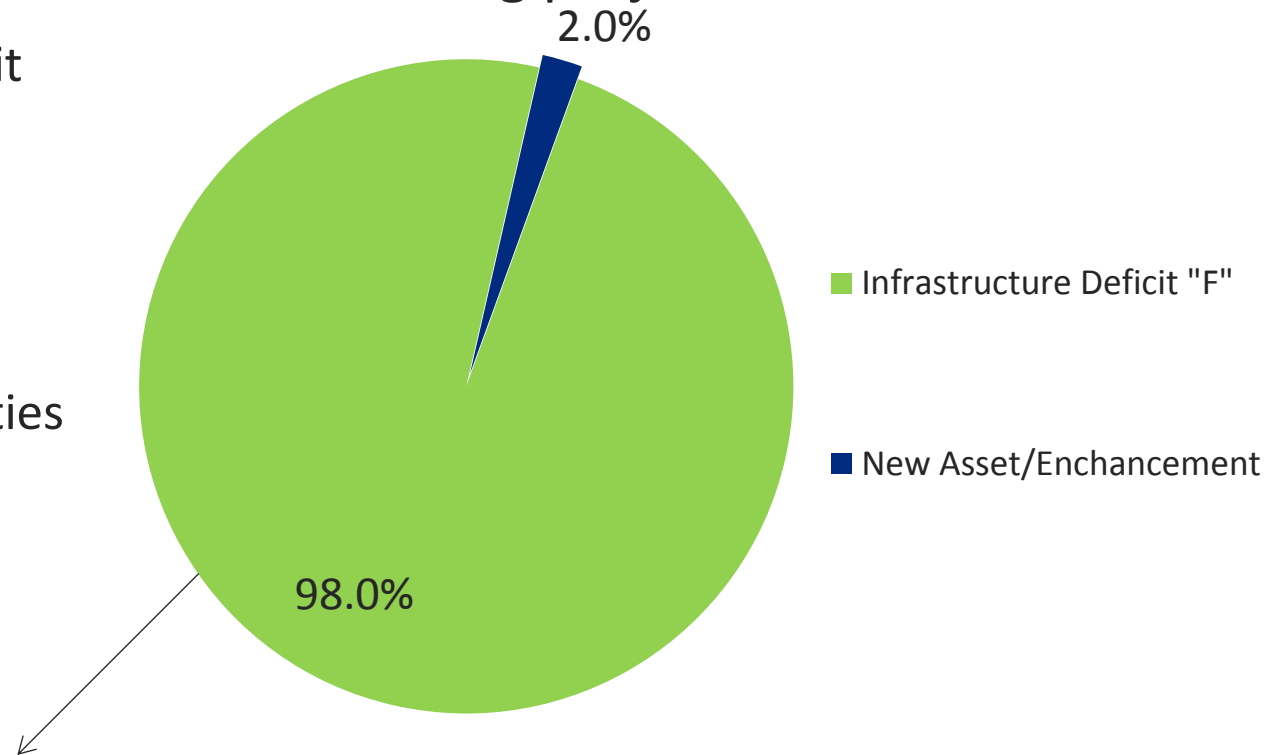
- Climate Change Adaptation
 - WWPS Lift Station C - \$500K
Reconstruction and flood proof – DMAF
 - Musquash Water Pump Station - \$5.44M
Upgrade/Reconstruction/Flood Proof - DMAF
 - WWPS Lift Station Beach Crescent - \$840K
Reconstruction and flood proof - DMAF
- Watermain/Sewer Cleaning and Lining \$1.45M
 - Extend useful life of watermains/sewer lines
 - Improve water pressure and water quality
 - Improve fire flows



2020-2021 Draft Utility Budget - Conclusion

CONCLUSION

- Budget continues to focus and balancing projects between
 - Infrastructure deficit
 - Climate Change
 - Growth
 - No new debt
 - Funding Opportunities



12.08% of reinvestment directly tied to growth

Conclusion

Recommendation

- Receive and file 2020-2021 General & Utility Capital Budgets

